

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY,)		
)	02	
Request for Declaratory Ruling or Alternative)		
Petition pursuant to Section 7-101 of the Public	j		
Utilities Act for consent to continue to operate	Ó		
under an interconnection agreement that will be)		
assigned to an affiliated interest.			

TESTIMONY OF ROBERT D. KOSZYK

DIRECTOR OF INTERCONNECTION SERVICES

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COMMONWEALTH EDISON COMPANY

- 1. Q. Please state your name and business address.
 - A. My name is Robert D. Koszyk. My business address is 2 Lincoln Centre,
 Oakbrook Terrace, Illinois 60181-4260.
- 2. Q. By whom are you employed and what is your title?
 - A. I am employed by Commonwealth Edison Company ("ComEd") as the Director of Interconnection Services.
- 3. Q. Please summarize your educational and professional background.

A. I have a Masters Degree in Business Administration from the University of Chicago, which I received in 1995. I received a Bachelor of Science Degree in Electrical Engineering Technology from Purdue University in 1990, and an Associate Degree in Applied Science from Prairie State College in 1985. I have been employed with ComEd for over 28 years with numerous positions of increasing responsibility involving the construction and maintenance of substations and transmission lines.

As Director of Interconnection Services, I direct a team of professionals who prepare engineering analyses and cost estimates for the facilities necessary to interconnect new generating facilities to ComEd's transmission system.

ComEd negotiates an Interconnection Agreement ("IA") with each applicant for such interconnection services. The IA specifies the facilities that will be required for the interconnection, the cost associated with such interconnections, the manner in which the cost will be allocated between ComEd and the generation developer, and the general terms and conditions under which the interconnection will take place. I work with ComEd's legal counsel in negotiating these IAs with generation developers.

- 4. Q. Do the IAs you negotiate require regulatory approval?
 - A. Yes. As I have been informed by counsel, interconnection service is a component of transmission service subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC") under the Federal Power Act.

 When ComEd and a generation developer reach agreement on the terms of an

- IA, ComEd files the IA with the FERC, and the FERC accepts it for filing as a tariff.
- 5. Q. Are you familiar with the Verified Petition that has been filed in this matter, including the document attached thereto as Exhibit A?
 - A. Yes, I am.
- 6. Q. Would you please describe the nature and general purpose of the Verified Petition?
 - A. Yes. The Verified Petition seeks a Declaratory Ruling from the Illinois

 Commerce Commission or, in the alternative, consent for ComEd to continue
 to operate under an interconnection agreement that ComEd entered into with
 Calumet Power, LLC ("Calumet") on February 8, 2001, after the IA is
 assigned to an affiliated interest of ComEd.
- 7. Q. What is the purpose of the Calumet IA?
 - A. The Calumet IA details the rates, terms and conditions for the interconnection of a 308 MW gas-fired generating facility to be developed by Calumet on nine acres of property it owns at 3141 E. 96th Street in Chicago, approximately ten miles from downtown Chicago. The full terms and conditions of the IA are set forth in Exhibit A to the Verified Petition.
- 8. Q. Has the IA been filed with the FERC?
 - A. Yes. ComEd filed the IA with FERC on April 6, 2001. On May 10, 2001, the FERC accepted the IA for filing, with an effective date of April 7, 2001.

- 9. Q. Has work on the Calumet project progressed since that time?
 - A. Yes. The facility has almost been completed and is expected to be ready for operation within several months.
- 10. Q. Do you have knowledge concerning negotiations for a change in ownership of the Calumet generating facility since FERC accepted the IA for filing?
 - A. Yes. Since that time, Calumet has been in negotiations with ComEd's affiliate Exelon Generation LLC ("Genco"). Those parties have agreed that the facility will be owned by a limited liability company, Southeast Chicago Energy Project, LLC ("Southeast"), in which each of them will have an interest. Calumet will contribute certain property to Southeast in return for an ownership interest in Southeast of approximately 30%. Genco will construct the facility and contribute other property in return for an ownership interest in Southeast of approximately 70%.
- 11. Q. How will the change in ownership affect the IA?
 - A. Calumet will assign its rights in the IA to Southeast, and Southeast will assume the obligations and liabilities of Calumet under the IA.
- 12. Q. Does the IA entitle the owner of the Calumet facility to transmit the energy it generates over ComEd's transmission system?
 - A. No. The IA provides only the interconnection component of transmission service. In order to transmit power from the facility, the facility's owner will be required to reserve, schedule and pay for the transportation component of transmission service (which is what we usually mean by the term "transmission"

service") under the terms of ComEd's Open Access Transmission Tariff on file with FERC. That tariff is expected to be superseded in the near future when ComEd joins a Regional Transmission Organization. Transmission service over the ComEd system will then be provided by an independent regional entity under its own tariff.

- 13. Q. What is the relationship between ComEd and Southeast?
 - A. Southeast is a subsidiary of Genco and an affiliate of ComEd.
- 14. Q. Will the assignment of an interest in the IA to an affiliate of ComEd have an effect on whether ComEd continues to perform under the IA?
 - A. No. The IA is an executed contract accepted for filing by the FERC as a tariff.
 ComEd is obligated to perform under its terms, regardless of which entity
 holds the interests and obligations of the generation developer.
- 15. Q. Will the assignment of an interest in the IA to an affiliate of ComEd have an effect on the rates charged to ComEd's retail customers in Illinois?
 - A. No. Although the addition of transmission facilities to ComEd's system will in the future after ComEd's rate freeze expires be reflected in rates, the ownership of the Calumet generating facility will have no effect on the rates charged to ComEd's retail customers in Illinois.
- 16. Q. Do you believe that the consent sought in these proceedings will be in the best interest of the public?
 - A. Yes, I do. The addition of the Calumet plant to the existing array of generation available in northern Illinois will help to meet growing customer load in the

coming years. The fact that the Calumet plant is located in the City of Chicago will also be helpful in meeting future service needs.

- 17. Q. Does this conclude your testimony?
 - A. Yes, it does.